

BOARD OF SUPERVISORS
COUNTY OF YORK
YORKTOWN, VIRGINIA

Resolution

At a regular meeting of the York County Board of Supervisors held in the Board Room, York Hall, Yorktown, Virginia, on the ____ day of ____, 2001:

Present

Vote

James S. Burgett, Chairman
Donald E. Wiggins, Vice Chairman
Walter C. Zaremba
Sheila S. Noll
H. R. Ashe

On motion of _____, which carried ____, the following resolution was adopted:

A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE COUNTY OF YORK, VIRGINIA REQUESTING THE INDUSTRIAL DEVELOPMENT AUTHORITY OF YORK COUNTY, VIRGINIA TO ISSUE ITS LEASE REVENUE REFUNDING BONDS (YORK COUNTY PROJECT), SERIES 2001

WHEREAS, the Board of Supervisors of the County of York, Virginia ("County") has determined that it is necessary and advisable to refund the outstanding maturities of the County's \$2,750,000 Certificates of Participation, Series 1990 (the "1990 Obligations") and \$2,400,000 Certificates of Participation, Series 1992 (the "1992 Obligations" and, together with the 1990 Obligations, the "Refunded Obligations") through lease revenue bonds ("Bonds") to be issued by the Industrial Development Authority of York County, Virginia ("Authority"). The Refunded Obligations were issued to finance the costs of acquiring, constructing and equipping various County facilities (the "Project"). The County will lease the Project to the Authority pursuant to a lease ("Lease") and will lease the Project back from the Authority pursuant to a Financing Lease. The Bonds will be payable solely from the revenues derived from the Financing Lease from the Authority to the County ("Financing Lease") pursuant to which the County will agree to make rental payments, subject to annual appropriation, sufficient to pay the principal of and interest on the Bonds; and

WHEREAS, the Bonds will be issued pursuant to the following documents: (i) an Indenture of Trust between the Authority and a trustee to be selected by the County Administrator ("Trustee"), with the form of the Bonds attached thereto; (ii) the Lease; (iii) the Financing Lease; (iv) a Leasehold Deed of Trust from the Authority to the individual trustees named therein; (v) an Assignment of Rents and Leases between the Authority and the Trustee; (vi) a Preliminary Official Statement ("Preliminary Official Statement") and an Official Statement ("Official Statement") with respect to the issuance and sale of the Bonds; and (vii) a Bond Purchase Agreement ("Bond Purchase Agreement") among the County, the Authority and BB&T Capital Markes, a division of Scott & Stringfellow, Inc. ("Underwriter"). All of the documents listed above, except the Bonds, the Preliminary Official Statement and the Official Statement are referred to in this Resolution as the "Basic Documents";

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE COUNTY OF YORK, VIRGINIA:

Issuance of Bonds. The County requests the Authority to issue its Bonds in the maximum amount of \$3,800,000 to be paid from revenues derived from payments made by the County pursuant to the Financing Lease.

Authorization of Basic Documents. The Bonds and the Basic Documents are approved in substantially the forms on file with the County Administrator, with such changes, insertions or omissions (including, without limitation, changes of the dates thereof) as may be approved by the Chairman of the Board of Supervisors or the County Administrator, whose approval shall be evidenced conclusively by the execution and delivery of the Basic Documents to which the County is a party. The execution and delivery of and performance by the County under the Bonds and the Basic Documents to which it is a party are authorized.

Execution of Documents. The Chairman and Vice Chairman of the Board of Supervisors and the County Administrator, or any of them, are authorized to execute on behalf of the County the Basic Documents to which the County is a party, and, if required, the County Administrator is authorized and directed to affix or to cause to be affixed the seal of the County to the Basic Documents and to attest such seal. Such officers or their designees are authorized to execute and deliver on behalf of the County such instruments, documents or certificates, and to do and perform such things and acts, as they shall deem necessary or appropriate to carry out the transactions authorized by this Resolution or contemplated by the Basic Documents; and all of the foregoing, previously done or performed by such officers or agents of the County, are in all respects approved, ratified and confirmed.

Sale of Bonds. The County Administrator and the Chairman of the Board of Supervisors or either of them, is authorized and directed to consent to the terms of the sale of the Bonds by the Authority to the Underwriter and to execute and deliver the Bond Purchase Agreement, provided that (i) the true interest cost of the Bonds shall not exceed 6.5%, (ii) the aggregate principal amount of the Bonds shall not exceed the amount set forth in paragraph 1, (iii) the sale price of the Bonds to the Underwriter shall not be less than 97% of the aggregate principal amount thereof (not taking into account any original issue discount) and (iv) the final maturity of the Bonds shall not be later than 15 years from their date. The approval of such officers shall be evidenced conclusively by the execution and delivery of the Bond Purchase Agreement.

Disclosure Documents. The County Administrator and the Director of Finance, or either of them, and such officers and agents of the County as either of them may designate are hereby authorized and directed to prepare, execute, if required, and deliver an appropriate preliminary official statement and official statement or such other offering or disclosure documents as may be necessary to expedite the sale of the Bonds. The preliminary official statement, official statement or other documents shall be published in such publications and distributed in such manner, including by electronic distribution, and at such times as the County Administrator, or such officers and agents of the County as he may designate, shall determine. The County Administrator is authorized to deem the preliminary official statement "final" for purposes of Securities and Exchange Commission Rule 15c2-12.

Nature of Obligations. Nothing in this Resolution, the Bonds or the Basic Documents shall constitute a debt of the County and the Authority shall not be obligated to make any payments under the Bonds or the Basic Documents except from payments made by or on behalf of the County under the Financing Lease. The County Administrator is directed to submit for each fiscal year a request to

the Board of Supervisors for an appropriation to the Authority for an amount equal to the rental payments coming due under the Financing Lease for the next fiscal year. The County's obligations to make payments to the Authority pursuant to this Resolution shall be subject to and dependent upon annual appropriations being made from time to time by the Board of Supervisors for such purpose. Nothing in this Resolution, the Bonds or the Financing Lease shall constitute a pledge of the full faith and credit of the County.

Designation for Purchase by Financial Institutions. The County requests the Authority to designate the Bonds as "qualified tax-exempt obligations" eligible for the exception from the disallowance of the deduction of interest by financial institutions allocable to the cost of carrying tax-exempt obligations in accordance with the provisions of Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the "Code"). The County does not reasonably anticipate that it and any "subordinate entities" will issue more than \$10,000,000 in tax-exempt obligations during calendar year 2001 and the County will not designate more than \$10,000,000 of qualified tax-exempt obligations pursuant to such Section 265(b)(3) in calendar year 2001. In accordance with Sections 265(b)(3)(C) and (D) of the Code, the Bonds are not expected to count toward the \$10,000,000 limitation.

Refunding. The County Administrator and the Chairman of the Board of Supervisors, or either of them is authorized and directed to provide for the Refunded Obligations to be called for redemption and to provide for their refunding.

Effective Date. This Resolution shall take effect immediately.

Adopted this 2nd day of October, 2001.

Clerk, Board of Supervisors of the County of
York, Virginia